

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7291

BILL NUMBER: HB 1558

NOTE PREPARED: Mar 31, 2003

BILL AMENDED: Mar 31, 2003

SUBJECT: Unemployment Insurance

FIRST AUTHOR: Rep. L. Lawson

FIRST SPONSOR: Sen. Harrison

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill provides that the separation from employment when a worker has been a victim of domestic or family violence is not a disqualification for receipt of unemployment compensation. It requires that the domestic or family violence be verified by a law enforcement agency report or a protection order. The bill provides that the Department of Workforce Development shall provide training to employees who interact with claimants for benefits concerning domestic and family violence.

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) The bill provides that separation from employment when a worker has been a victim of domestic or family violence is not a disqualification for receipt of unemployment compensation benefits. Information on the possible number of increased claims is unknown. Currently 17 states provide unemployment insurance benefits to domestic violence victims who quit their jobs in certain circumstances. Currently, only Connecticut is the only state to formally track unemployment benefits for victims of domestic violence. Connecticut granted benefits to 47 domestic violence victims between October 1, 1999, and April 1, 2001. Using the Connecticut experience, Indiana might have 56 claims per year. The average weekly benefits are about \$247. Assuming the claims were for the maximum duration, then the increase in benefits from the fund would be about \$360,000. The benefits are not charged to the employer's accounts but against the fund as a whole.

The Department of Workforce Development would incur some additional expense in training employees who interact with claimants for benefits concerning domestic and family violence. The initial course must be at least 6 hours, and the annual refresher course must be at least 3 hours in length.

Background: The balance in the Unemployment Insurance Benefit Fund as of June 30, 2002, was about \$1.28 B, and benefits paid were about \$702.6 M.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The impact on a local unit of government will be as an employer.

Explanation of Local Revenues:

State Agencies Affected: Department of Workforce Development.

Local Agencies Affected: Local governments.

Information Sources:

Fiscal Analyst: Chuck Mayfield, (317) 232-4825